

Subpoena 7 Firms' Records in Probe of Nazi Chemical Trust

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(By International News Service)

Subpoenas were served yesterday for the books and records of six giant chemical firms and a Swiss banking concern in connection with a Federal Grand Jury inquiry into an economic blitzkrieg by which key American chemical industries are believed to have come under German control.

The subpoenas call for examination of the following companies: Sterling Products, Inc. of 170 Varick St., its subsidiary, the Wirthrop Chemical Co. of the same address, and records of both firms regarding relationship to the General Aniline and Film Corp. of 230 Park Ave.; Swiss Bank Corp. of 15 Nassau St.; Schering Corp. of Bloomfield, N. J.; Hoffman Laroche Co. of Nutley, N. J., and Ciba Co. of Summit, N. J.

Nationwide Probe

Edward P. Hodges, special aide to Assistant Attorney General Thurman Arnold, said more subpoenas will be served on chemical firms throughout the nation.

At the same time it was learned that at least one of the companies already subpoenaed, the Schering Corp., was given by the Government a list of 94 concerns, some American and some foreign, and instructed to produce all its records which pertained to its dealings with any of the 94.

On this list were such firms as E. I. du Pont de Nemours, American Cyanamid & Chemical Co., Union Carbide & Carbon Corp., Lever Bros. Ltd., General Dye-stuff Corp., Allied Dye & Chemical Co., Commercial Solvents Corp., Royal Dutch Co., Continental Dye Cartel, Du Pont of South America, Du Pont Film Manufacturing Corp., Cincinnati Chemical Co., and Chemische Fabriken Vorm Weiler-Ter-Meer.

It was believed a similar list was handed to all of the seven companies subpoenaed.

The subpoenas involving records of General Aniline, Sterling and Wirthrop are returnable before the Federal grand jury here April 17. Those involving the Swiss bank, Schering and the other New Jersey companies are returnable on the same date in Newark.

General Aniline does an annual business of more than \$50-

000,000 and has had intimate relationships, according to the Department of Justice Investigators, with the German dye chemical trust, I. G. Farbenindustrie.

The Department of Justice launched its investigation to ascertain to what extent Germany dominates vital chemical industries in the United States and Latin-America through interlocking tieups. Many of the chemi-

cal products and patents involved are important to national defense.

Officials said they also aim to establish whether the German chemical trust, dominated by I. G. Farbenindustrie, has obtained a grip on segments of the American chemical industry through assignment of German patents via Swiss corporations and through operation of "dummy" companies.

It was learned 400 German patents have been "assigned" to a mysterious American, whose name the Federal authorities refused to divulge.

In connection with the subpoenas, the Justice Department said:

"It appears that the German interests have entered into patent licensing agreements with American affiliates, under which those American firms would withhold their own products from the South American markets. This, it is complained, was done for the purpose of preserving control over South American markets for certain chemical products.

"Many of the products to which these alleged documents (company records) relate are of great importance from the standpoint of national defense."

The Swiss Bank Corp. likewise denied any connection with law violation or that it holds credits for German interests.